



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

## **RELOCATION ASSISTANCE ADVISORY BULLETIN**

**SUBJECT:** Personal Property Inventories for Non-residential Displacement  
**DATE:** Effective August 31, 1998  
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### **1. Background**

760 CMR 27.05(3) of the Massachusetts Relocation Assistance Regulations requires owners of displaced businesses to inventory their personal property and submit such an inventory to the agency requiring them to relocate. The purpose of this advisory bulletin is to describe the process to be followed in order that the object of this requirement is accomplished.

### **2. General**

Preparation of an accurate inventory of personal property is a critical component to the process of applying for relocation payments in non-residential displacement cases. As set forth under MGL Chapter 79A Section 7, one of the primary benefits to which displaced businesses are entitled is payment for actual and reasonable expenses in moving personal property. In order for a displacing agency to determine these expenses, as claimed by the displaced business, it is important that a mutually agreed personal property inventory be obtained in advance of the preparation of move specifications and commencement of both the move and any associated contractual work necessary for the installation of moved personal property. Preparing a personal property inventory is not intended to be an overly burdensome or time-consuming activity. However, since the certified personal property inventory is the primary document used to determine items that are to be included as part of the relocation claim, owners of displaced businesses should seriously consider this requirement and work closely with the agency regarding requirements for submitting and certifying personal property inventories.

### **3. Responsibility for Preparing Personal Property Inventory**

As described in 760 CMR 27.05(3), the owner of a displaced business is responsible for preparing and presenting to the relocation advisory agency a personal property inventory. Although it is expressly the responsibility of the displaced business to prepare and submit a personal property inventory, the relocation advisory agency may, at the request of the displaced business, provide assistance in compiling the inventory. In such cases, however, preparation of the inventory must be done cooperatively between

the business and the agency. In all cases, the agency must be diligent in advising businesses of this requirement. It is strongly recommended that the agency notify businesses of this requirement in writing upon issuance of the advance notice for moving. Failure by the agency to suitably advise a business of this requirement will negate the requirement set forth in 760 CMR 27.05(3).

#### **4. Timing**

A personal property inventory may be prepared any time after the displacing agency provides the business occupant to be displaced with an advance notice for moving (as required by 760 CMR 27.04(l)(c)), but well enough in advance of the anticipated commencement of the move so that move specifications may be prepared that are based upon a certified personal property inventory. At the time the advance notice for moving is delivered, the displacing agency should discuss with the business owner the requirement that they prepare a personal property inventory, provide them with necessary forms in order for them to prepare their inventory, and inform them of the agency's requirements for submitting the inventory for certification.

#### **5. Certification of Personal Property Inventories**

After a personal property inventory is submitted by the business to the agency, it is the obligation of the agency to expeditiously certify the inventory. In order to certify the personal property inventory, the agency must review the following:

- (a) The personal property inventory is in a format acceptable to the agency.
- (b) No items of personal property are listed that were actually purchased by the agency as part of the real estate. (To do this, the agency should check the inventory list against either real/personal property reports that may have been prepared or real estate appraisals).
- (c) The items listed on the inventory are actually at the displacement location and the description of the items is accurate.
- (d) Stock held for trade (or other items which may fluctuate prior to the move) is identified separately and will be recertified, if necessary, immediately prior to the move.

By signing the personal property inventory form, the agency project manager (or his/her designee) certifies that the personal property inventory is complete, and may be used to document subsequent portions of the relocation claim.

#### **6. Failure to Submit an Inventory**

If a business occupant to be displaced fails to submit an inventory after being advised by the agency and refuses any assistance offered by the agency to prepare a personal property inventory, the displacing agency must provide written notice to the business that such action may render the agency as unable to process any claim for payment of relocation expenses. If a displacing agency receives a relocation claim and there is no accompanying certified personal property inventory, the displacing agency may, at its discretion and if it determines that the absence of the inventory renders them unable to make a determination on the claim, deny the claim on the basis that proper application for payment of relocation expenses was not made. In such cases where a claim is denied on such a basis, the agency must document its efforts to advise the occupant of their obligation to prepare an inventory, demonstrate that it was

available to assist the business to prepare such an inventory, and provide evidence that it provided written notice described in this paragraph (Note exceptions described in paragraph 8).

## **7. Contents of Inventories**

Personal property inventories must include the following information:

- (a) Name and address of the business;
- (b) Replacement location (if known);
- (c) Date inventory was prepared;
- (d) Signature of the preparer;
- (e) A brief description of the item of personal property;
- (f) An item number to correspond to each item;
- (g) General location of the item;
- (h) Identification of the category of contractual work necessary to disconnect or reconnect the item;
- (i) Identify if the item will be substituted with a replacement item or liquidated instead of moved;
- (j) Identify items that fluctuate considerably in quantity (i.e., stock held for sale, etc.)

Attached to this Advisory Bulletin is a sample personal property inventory form. The agency should inform the business of the level of detail it requires in order for the inventory to be considered sufficient.

## **8. Exceptions**

Displaced businesses seeking payment in lieu of moving as per 49 CFR 24.305 are not required to prepare or provide personal property inventories. In addition, under exigent circumstances, the displacing agency may determine that a displaced business is not required to provide a personal property inventory.